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National Intelligence Daily Cable for Thursday, 4 May 1978.

The NID Cable is for the purpose or informing senior US officials.

CONTENTS

AFGHANISTAN: Situation Report	Page 1	
UGANDA: Political Situation	Page 2	
AUSTRIA: Nuclear Power Imbroglio	Page 3	
ITALY: More Conciliatory Posture	Page 4	
ARGENTINA: Videla's Term Extended	Page 5	_
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from positions of power. Prime
Minister Taraki has denied that his government is Communist.//
Prime Minister Taraki, reacting strongly to foreign press reports that labeled his government Communist and pro-Soviet, issued a statement last night reaffirming the govern-

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He even denied that a Communist party had ever existed in Afghanistan and predicted that none ever would. He ended by stating that Afghanistan will continue to be an independent country but is now free of the unnamed nations that had influenced previous governments.	
Taraki's spirited reaction appears designed to reassure the large numbers of conservative Afghans who may well question whether Marxism and Islam can coexist. In the past, Taraki has been described as a "moderate" Communist; Deputy Prime Minister Babrak Karmal has been termed a "hard-liner." Both, however, have long advocated Communism as a solution to Afghanistan's problems and the closest of relations between Kabul and Moscow.	25X1
UGANDA: Political Situation	
Ugandan President Amin is personally taking over some of the government's administrative functions and purging some of his more notorious supporters, presumably in an attempt to ward off further disintegration of his regime. He may also hopealbeit unrealisticallyto improve Uganda's international image. He has pledged to seek friendlier relations with other countries and to pay more attention to improving conditions within Uganda, but he has seldom persisted with any particular policy.	
Amin this week took over direct responsibility for the Ministries of Foreign Affairs and Information. The shakeup, announced Tuesday on Uganda radio, included the transfer to the President's office of key aspects of the police and prison services. Amin had already taken over the Defense and Interior Ministries.	
The changes follow a rash of rumorswhich we are unable to confirmof fighting among Amin's relatives and close associates in the Army and government hierarchy. This small group, mainly Muslims from the Kakwa tribe, was responsible for much of the brutality and extortion associated with the regime.	
Early last month, Amin publicly accused a handful of his top military officers and cabinet ministers of stealing huge amounts of public money and blamed them for mass killings	

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in the past. He warned that they would be dismissed if they continued to "misbehave." Since then, Finance Minister Ali reportedly has been arrested, and Vice President and Defense Minister Adrisi has been seriously injured in a car accident.	
Amin's decision to take over the responsibilities of some of the disgraced officials may ease the immediate pressure for change, but will not produce a lasting solution. As long as the erratic leader makes day-to-day decisions himself and relies on poorly trained soldiers to manage the country, he is likely to face continuing deterioration in the economic sphere and persistent political dissatisfaction.	25X1
AUSTRIA: Nuclear Power Imbroglio	
//Austria's governing Socialist Party is looking to the US for help in finding a site to dispose of spent nuclear fuel from the country's first nuclear power plant. According to the party's parliamentary leader, the Socialists must settle the issue before the municipal elections in Vienna this fall and national elections next year. The party apparently is concerned that both opponents of nuclear power and the opposition People's Party will use the issue as an example of the government's inability to cope with the country's problems.//	
//The government's dilemma has been aggravated by overdrawn expectations about President Carter's proposal last October for storing the spent fuel in the US. A high-level Austrian delegation in Washington last month for talks on the problem was disappointed by the absence of US decisions on either reprocessing or storage of spent fuel. Chancellor Kreisky intends to make the problem his top issue in discussions with US officials while he is in New York for the UN Special Session on Disarmament.//	
//The government has been unable to find an acceptable disposal site in Austria and cannot start the nuclear reactorready for operation since Januaryuntil a storage site is found. Kreisky, during his trip to Moscow in February, apparently tried to persuade the Soviets to take the spent fuel but was rebuffed by Premier Kosygin. The Austrians received positive responses to their overtures to Iran and Egypt but, according to a Socialist official, Austria probably will drop consideration of these countries because of US opposition.//	

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25X1	//The Socialists clearly are worried, particularly with national elections looming next year, about their poor track record in handling the country's problems. Kreisky, whose Socialist Party has been in power since 1970, has done little to bring Austria out of its economic doldrums. The government has had to impose austerity measures to keep the country's balance-of-payments and budget deficits from worsening, and it has been unable to agree on a promised package of stimulative measures.//	
25X1 25X1	//The Chancellor should be able to carry the Socialists into a fourth term next year, provided he can show some progress on these issues during the coming months. Austrian public sentiment, however, is running against nuclear energy and there could be a backlash against the Socialists unless they find a solution to the spent fuel problem soon.	25X1
	ITALY: More Conciliatory Posture	
25X1	Italy's Christian Democrats yesterday reiterated their refusal to negotiate with the Red Brigades for the release of kidnaped party president Aldo Moro, but they introduced a new note of flexibility by raising the possibility of "generosity and clemency" for imprisoned terrorists if the Red Brigades free Moro and curtail political violence. The statement appears to be a step toward the more conciliatory posture advocated by Socialist chief Craxi.	
25X1	//All of the major parties initially rejected Craxi's proposal as too conciliatory, but some Social Democrats and the major Christian Democratic labor leader now support it.	25X1
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25X1	The Christian Democrats have avoided a direct endorsement of Craxi's initiative. Nevertheless, support of the	
	initiative may draw criticism from the Communists, whose parlia- mentary backing is crucial to the government's survival. The	
	Communists have been the most forceful opponents of Craxi's	
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25X1	of the Red Brigades will confer political legitimacy on them.
	ARGENTINA: Videla's Term Extended
25X1	//The decision by Argentina's ruling junta to extend President Videla's term and remove the office of the presidency from the junta has temporarily papered over a longstanding dispute over the organization of the government. The move leaves unexplained the role of the president and probably presages a period of intense maneuvering within the military.//
25X1	//The governing junta announced late Tuesday that Videla, Commander in Chief of the Army, will retire from active duty by 1 August but remain as chief executive until March 1981. Technically, Videla will thus serve as a civilian president, although his constituency will clearly be the military.//
25X1	//The announcement left unclear, however, the crucial question of whether the office of the presidency will be subordinate to or independent of the junta. Videla wants to strengthen the office but has been consistently opposed by junta member Admiral Massera, Commander of the Navy. Massera's intransigence is perhaps the main reason the decision was so long in coming; the issue had been hotly debated for well over a year.//
25X1	//The politically ambitious Massera has been strongly critical of the tone and style of Videla's leadership. Massera has consistently used his junta position and popularity within the Navy to block Videla's initiatives and generate opposition to him, in and out of the Navy.//
25X1	//Since the action required a unanimous junta vote, it may have involved some conciliatory gesture toward Massera. He may have been promised some change in the government's economic policy, of which he has been a vocal critic. The Admiral may simply have recognized, however, that he faced overwhelming odds.//

6

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